



U.S. Department
of Veterans Affairs

News Release

Office of Public Affairs
Media Relations

Washington, DC 20420
(202) 461-7600
www.va.gov

FOR IMMEDIATE RELEASE
July 18, 1997

Washington, D.C. -- The Department of Veterans Affairs (VA) is releasing, for public review and comment, a consultant's report containing recommendations for meeting the inpatient medical care needs of northern California veterans. The recommendations reflect the major reorganization of the veteran's health care system begun in 1995, newly enacted contracting authority provided to VA, and changes in the California health care marketplace.

In the fall of 1996, Congress directed VA to reassess its earlier plan to construct a new 243-bed VA hospital at Travis Air Force Base in Fairfield, Calif. The Travis hospital was slated to replace the VA medical center in Martinez, Calif., which was closed in 1991 because of seismic deficiencies. A 1996 General Accounting Office report concluded "that the Travis construction project is not justified and that lower-cost alternatives should be more fully explored."

In January 1997, VA awarded a contract to Price Waterhouse, in conjunction with the Lewin Group and Applied Management Technology, for this study.

"Obtaining an independent second opinion on the needs of northern California veterans was the prudent thing to do in light of the dramatic changes that have swept through the VA health care system during the last two years," said Under Secretary for Health Dr. Kenneth W. Kizer.

During the last six months, the consultant reviewed and analyzed a number of options and concluded that construction of a new hospital is not justified.

The report, instead, recommends VA meet the inpatient needs of veterans in northern California through an array of in-house and contractual agreements that concentrate care at the former Mather Air Force Base in Sacramento, the Merrithew Medical Center in Contra Costa County, and contracted care at a community hospital in Redding.

The report says that this recommendation:

- maximizes access for veterans in the VA Northern California Health Care System;
- improves convenience for veterans and VA physicians and staff; provides flexibility to meet changing demand;
- proves cost-effective for VA and taxpayers;
- takes advantage of the excess capacity in the community;
- and, facilitates medical education and research.

VA is inviting comments on the report until August 1, 1997.